

FINANCIAL INSTITUTIONS

Budget Summary							
Fund	2018-19 Base Year Doubled	2019-21 Governor	2019-21 Jt. Finance	2019-21 Legislature	2019-21 Act 9	Act 9 Change Over Base Year Doubled	
						Amount	Percent
PR	\$37,124,400	\$38,150,500	\$38,100,500	\$38,100,500	\$38,100,500	\$976,100	2.6%
SEG	<u>1,530,000</u>	<u>1,612,000</u>	<u>1,612,000</u>	<u>1,612,000</u>	<u>1,612,000</u>	<u>82,000</u>	5.4
TOTAL	\$38,654,400	\$39,762,500	\$39,712,500	\$39,712,500	\$39,712,500	\$1,058,100	2.7%

FTE Position Summary						
Fund	2018-19 Base	2020-21 Governor	2020-21 Jt. Finance	2020-21 Legislature	2020-21 Act 9	Act 9 Change Over 2018-19 Base
PR	139.54	139.54	139.54	139.54	139.54	0.00
SEG	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>	<u>0.00</u>
TOTAL	141.54	141.54	141.54	141.54	141.54	0.00

Budget Change Items

1. STANDARD BUDGET ADJUSTMENTS

Governor/Legislature: Adjust the base budget for: (a) turnover reduction (-\$285,000 PR annually); (b) full funding of continuing position salaries and fringe benefits (\$385,200 PR and \$40,600 SEG annually); and (c) full funding of lease and directed moves costs (\$31,000 PR and \$300 SEG in 2019-20 and \$54,300 PR and \$500 SEG in 2020-21).

PR	\$285,700
SEG	<u>82,000</u>
Total	\$367,700

2. STUDENT LOAN REFINANCING STUDY

	Governor (Chg. to Base)	Jt. Finance/Leg. (Chg. to Gov)	Net Change
PR	\$50,000	- \$50,000	\$0
GPR-REV	- \$50,000	\$50,000	\$0

Governor: Provide \$50,000 in 2019-20 to the Department of Financial Institutions' (DFI) general program operations appropriation for the creation of a Student Loan Refinancing Study Committee to study the development of a bonding authority for the refinancing of student loans in the state. The funds would be used to pay for research, outreach, information gathering, and analysis activities of the Committee, not exceeding \$50,000. The administration states the purpose of the refinancing authority would be to ease the burden of student loan debt for Wisconsin residents. The Committee would consist of the Secretary of DFI, the State Treasurer, and the Executive Secretary of the Higher Educational Aids Board, and would be required to report its findings and recommendations to the Governor and the Legislature by October 1, 2020. For additional information, see "Higher Educational Aids Board".

Joint Finance/Legislature: Delete provision. Under current law, with certain exceptions, any unencumbered balance in DFI's general program operations appropriation at the close of a fiscal year transfers to the general fund. As a result, deletion of this provision would increase the estimated amounts transferred to the general fund under the bill by \$50,000 in 2019-20.

3. INFORMATION TECHNOLOGY MODERNIZATION AND SECURITY EFFORTS [LFB Paper 305]

PR	\$690,400
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Governor: Provide \$320,700 in 2019-20 and \$369,700 in 2020-21 to DFI's general program operations appropriation to modernize its information technology systems and improve its cybersecurity. The administration indicates the increased expenditure authority would be used for: (a) software upgrades; (b) software securitization and modernization; (c) file server and domain migration to the Department of Administration's Division of Enterprise Technology; and (d) the implementation of new hardware systems.

Joint Finance/Legislature: Approve the requested funding on a one-time basis, but provide ongoing base funding of \$57,000 for annual software fees.

4. GPR-EARNED REESTIMATE [LFB Paper 306]

GPR-REV	\$5,689,100
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Joint Finance/Legislature: Reestimate the year-end transfer from DFI's general program operations appropriation at \$84,000,000 in 2019-20 and \$86,100,000 in 2020-21. As compared to the bill, the reestimate is higher by \$2,629,600 in 2019-20 and by \$3,059,500 in 2020-21. Under current law, with certain exceptions, fees and assessments imposed on regulated entities and individuals by DFI are deposited in DFI's general program operations appropriation. Any balance in this appropriation at the close of a fiscal year transfers to the general fund.